Remarks

Claims 1, 3-9, 11-16, and 18-28 are currently pending in this application, with claims 1, 2, 9, 11, 20, and 21 being amended by, claims 2 and 10 being canceled by, and claims 22-28 being added by the present Amendment.

The Office Action rejected claims 1, 4, 6, 7, 9, 12, 14, and 15 under 35 U.S.C. § 103(a) as being unpatentable over Sasaki et al. (U.S. Patent No. 6,298,374) in view of Zhou et al. (U.S. Patent No. 5,533,180). The Office Action objected to claims 2, 3, 5, 8, 10, 11, 13, and 16 as being dependent upon a rejected base claim, but indicated that these claims would be allowable if rewritten in independent form. The Office Action failed to address claims 18-21 which were added by Applicant's January 18, 2005 Amendment.

By this Amendment, Applicant incorporated the recitations of objected to claims 2 and 10 into claims 1 and 9, respectively. Therefore, as admitted by the Office Action, claims 1, 3-9, and 11-16 should be in condition for allowance. Claims 18-21 should also be in condition for allowance because they depend upon either claim 1 or claim 9.

Applicant has added new claims 22-28 to claim further features of the present invention. Applicant believes that new claims 22-28 are also allowable over the prior art of record. The present invention defines a unique and distinct construct called a "virtual entity" (VENT), as described in Claim 22 by the phrase "matching a separate distinct program to represent the real world entity." The Office Action contends that virtual space names corresponding to positions of real world entities, defined by Sasaki et al., are equivalent to the virtual entities of the present invention. The distinction between these two different software constructs is first made evident in the definition of entity offered in an embodiment of the present invention (Specification, page 4): "Entity - an

independent, self contained thing; a thing with a separate and distinct existence. Persons and devices are two of many types of entities."

If a position is not "an independent, self contained thing," then a virtual representation of a position is not equivalent of a virtual representation of an entity. Applicant contends that a position may be a temporary, or perhaps, a permanent attribute of a virtual entity. In other words, a position is similar, for example, to the $30 provided by the ATM machine to Hank on page 8 of the specification. VENTs are capable of tracking their position and their money, but the existence and the interactions of VENTs are distinct from their attributes, and hence, from the prior art. An entity has "a separate and distinct existence." A virtual entity is an already existent entity that has, additionally, been placed or represented into virtual space as a program. (Specification, page 4).

In light of the above, Applicant respectfully submits that the prior art of record, whether taken alone or in any reasonable combination, fail to disclose or suggest the invention recited in claims 1, 3-9, 11-16, and 18-28. Applicant, therefore, requests reconsideration and withdrawal of the Section 103(a) rejection of claims 1, 4, 6, 7, 9, 12, 14, and 15.

In view of the foregoing amendments and remarks, Applicant respectfully requests the reconsideration of this application and the timely allowance of the pending claims.

If there are any other fees due in connection with the filing of this response, please charge the fees to our Deposit Account No. 03-2775. If a fee is required for an extension of time under 37 C.F.R. § 1.136 not accounted for above, such an extension is requested and the fee should also be charged to our Deposit Account.

Respectfully submitted,

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Dated: September 9, 2005

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